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 Diversified Trust Deed Fund, LLC*

# **UNITED STATES BANKRUPTCY COURT**

## **DISTRICT OF NEVADA**

In re:  
 USA COMMERCIAL MORTGAGE COMPANY,  
 Debtor.

In re:  
 USA CAPITAL REALTY ADVISORS, LLC,  
 Debtor.

In re:  
 USA CAPITAL DIVERSIFIED TRUST DEED  
 FUND, LLC,  
 Debtor.

In re:  
 USA CAPITAL FIRST TRUST DEED FUND, LLC,  
 Debtor.

In re:  
 USA SECURITIES, LLC,  
 Debtor.

Affects:  
☐ All Debtors  
☐ USA Commercial Mortgage Company  
☐ USA Securities, LLC  
☐ USA Capital Realty Advisors, LLC  
☒ USA Capital Diversified Trust Deed Fund, LLC  
☐ USA First Trust Deed Fund, LLC

Case No. BK-S-06-10725 LBR  
 Case No. BK-S-06-10726 LBR  
 Case No. BK-S-06-10727 LBR  
 Case No. BK-S-06-10728 LBR  
 Case No. BK-S-06-10729 LBR

Chapter 11

Jointly Administered Under  
 Case No. BK-S-06-10725-LBR

## **DECLARATION OF RACHEL PATIENCE RAGNI IN SUPPORT OF MOTION TO ESTABLISH DISPUTED CLAIM RESERVE**

Hearing Date: December 5, 2007  
 Hearing Time: 9:30 a.m.

I, Rachel Patience Ragni, declare:

1. I am an attorney at law, duly licensed to practice in all courts of the states of California and Texas. I am one of the attorneys for the USA Capital Diversified Trust Deed Fund, LLC ("Diversified"), and as such I am familiar with the matters relevant to the Motion to Establish Disputed Claim Reserve.

1           2.       The matters set forth in this declaration are true and correct and of my own  
2 knowledge. If called as a witness in this matter, I could and would testify as to the matters set  
3 forth herein.

4           3.       Attached hereto as Exhibit A is a true and correct copy of the relevant excerpted  
5 portions of the Certificate of Mailing [Docket No. 1358] filed in the main and jointly  
6 administered Diversified chapter 11 case, No. 06-10725. The attached certificate lists Salvatore  
7 Reale as having received notice, twice.

8           4.       Attached hereto as Exhibit B is a true and correct copy of the Agreement for  
9 Purchase of Loan, which was attached to the proof of claim filed by Salvatore J. Reale in  
10 Diversified's case, No. 06-10727.

11          5.       Attached hereto as Exhibit C is a true and correct copy of a letter dated  
12 September 15, 2003, addressed to Ron Bloecker from Thomas Rondeau, which was attached to  
13 the proof of claim filed by Salvatore J. Reale in Case No. 06-10727.

14          6.       Attached hereto as Exhibit D is a true and correct copy of the Declaration of  
15 Geoffrey L. Berman in Support of USACM Liquidating Trust's Response to Evidentiary  
16 Objections and Limited Sur-Reply, with attached Exhibit C to that declaration, filed in adversary  
17 number 06-01251.

18          7.       Attached hereto as Exhibit E is a true and correct copy of an amendment to a  
19 promissory note between Salvatore Reale as lender and Thomas A. Hantges and Joseph D.  
20 Milanowski as borrowers, which was a marked exhibit to the sworn deposition of Joseph D.  
21 Milanowski on March 13, 2007.

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8. Attached hereto as Exhibit F is a true and correct copy of the Memorandum decision issued by the Bankruptcy Appellate Panel of the Ninth Circuit in case number 07-1067.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 2nd day of November, 2007, at San Francisco, California.

*Rachel Patience Ragni*  
RACHEL PATIENCE RAGNI